



COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 539, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 2, line 12, delete "IC 7.1-7-2-7." and insert "**IC 7.1-7-2-8.**".
- 2 Page 2, line 18, delete "IC 7.1-7-2-15." and insert "**IC 7.1-7-2-16.**".
- 3 Page 2, line 26, delete "IC 7.1-7-2-16." and insert "**IC 7.1-7-2-17.**".
- 4 Page 2, line 35, delete "IC 7.1-7-2-17." and insert "**IC 7.1-7-2-18.**".
- 5 Page 3, line 1, delete "IC 7.1-7-2-8);" and insert "**IC 7.1-7-2-9);**".
- 6 Page 3, line 26, delete "taking" and insert "**auditing of**".
- 7 Page 3, line 33, delete "and".
- 8 Page 3, line 34, delete "cleaning and sanitizing of".
- 9 Page 3, line 34, delete "is conducted in a" and insert "**used in the**
- 10 **manufacturing process is easily cleanable, as defined in 410**
- 11 **IAC 7-24-27(a), in such a way that it**".
- 12 Page 3, line 35, delete "manner that reasonably".
- 13 Page 3, line 36, delete "materials." and insert "**materials; and**
- 14 **(3) The cleaning and sanitizing of equipment is consistent with**
- 15 **the Indiana standards for public health and cleanliness that**
- 16 **apply to food processing facilities in the state where food is**
- 17 **processed and packaged for human consumption.**".
- 18 Page 3, line 37, delete "refillable and unsealed receptacles" and
- 19 insert "**any receptacle that contains e-liquid.**".
- 20 Page 3, delete lines 38 through 41.

- 1 Page 4, between lines 1 and 2, begin a new paragraph and insert:
- 2 "Sec. 7. **"Distributor" means a person who is licensed under**
- 3 **IC 6-7-2-2 that:**
- 4 **(1) distributes, sells, barter, or exchanges e-liquid in Indiana**
- 5 **to retail dealers for the purpose of resale; or**
- 6 **(2) purchases e-liquid directly from a manufacturer for the**
- 7 **purpose of resale."**
- 8 Page 4, line 2, delete "7." and insert "8."
- 9 Page 4, line 8, delete "8." and insert "9."
- 10 Page 4, line 8, delete "that is:" and insert "**that:**".
- 11 Page 4, line 9, after "(1)" insert "**is**".
- 12 Page 4, delete lines 11 through 12, begin a new line block indented
- 13 and insert:
- 14 **"(2) specifically excludes substances contained in**
- 15 **non-refillable sealed cartridges of two (2) milliliters or less**
- 16 **used in e-cigarettes."**
- 17 Page 4, line 13, delete "9." and insert "**10.**".
- 18 Page 4, line 20, delete "10." and insert "**11.**".
- 19 Page 4, line 22, delete "11." and insert "**12.**".
- 20 Page 4, line 26, delete "12." and insert "**13.**".
- 21 Page 4, line 27, delete "individual" and insert "**employee**".
- 22 Page 4, line 28, after "been" insert "**collectively**".
- 23 Page 4, line 28, delete "a:" and insert "**both:**".
- 24 Page 4, line 29, after "(1)" insert "**a**".
- 25 Page 4, line 30, after "(2)" insert "**a**".
- 26 Page 4, line 32, delete "13." and insert "**14.**".
- 27 Page 4, line 34, delete "14." and insert "**15.**".
- 28 Page 4, line 36, delete "15." and insert "**16.**".
- 29 Page 4, line 38, delete "16." and insert "**17.**".
- 30 Page 4, line 41, delete "17." and insert "**18.**".
- 31 Page 5, line 2, delete "18." and insert "**19.**".
- 32 Page 5, line 9, delete "19." and insert "**20.**".
- 33 Page 5, line 11, delete "and that:" and insert "**who as of July 1,**
- 34 **2015:**".
- 35 Page 5, line 16, delete "20." and insert "**21.**".
- 36 Page 5, line 29, delete "take" and insert "**audit**".
- 37 Page 5, line 29, after "samples" insert "**maintained by the**
- 38 **manufacturer**".
- 39 Page 5, between lines 35 and 36, begin a new line block indented
- 40 and insert:
- 41 **"(6) To approve not less than three (3) different independent**
- 42 **testing laboratories from which a manufacturer may choose**

- 1 **to send any e-liquid sample for testing, at the manufacturer's**
- 2 **expense, as part of any audit, as directed by the commission."**
- 3 Page 5, line 41, after "e-liquid" insert **"to retailers or distributors"**.
- 4 Page 6, delete lines 9 through 10, begin a new line double block
- 5 indented and insert:
- 6 **"(A) designed to include a clean room space where all**
- 7 **mixing, bottling, and packaging activities will occur; and"**.
- 8 Page 6, line 19, delete "Documentation" and insert **"Verified**
- 9 **documents, satisfactory to the commission,"**.
- 10 Page 6, line 21, delete "not less".
- 11 Page 6, line 22, delete "than one (1) employee" and insert **"one (1)**
- 12 **or more employees"**.
- 13 Page 6, line 23, delete "is" and insert **"are collectively"**.
- 14 Page 7, line 2, delete "gallons" and insert **"liters"**.
- 15 Page 7, line 12, after "enter" insert **"during normal business**
- 16 **hours"**.
- 17 Page 7, line 28, delete "gallons" and insert **"liters"**.
- 18 Page 8, line 42, delete "comply with reasonable" and insert
- 19 **"conduct all mixing, bottling, and packaging activities in a"**.
- 20 Page 9, line 1, delete "guidelines regarding".
- 21 Page 9, line 1, delete "room" and insert **"room."**.
- 22 Page 9, line 1, delete "facilities and sterilization".
- 23 Page 9, delete line 2.
- 24 Page 9, line 25, after "must" insert **"store and maintain three (3)**
- 25 **ten (10) milliliter sample bottles from each production batch for a**
- 26 **period of not less than three (3) years in a secure limited access**
- 27 **area with recorded video surveillance and"**.
- 28 Page 9, line 26, after "manufacturer's" insert **"samples and"**.
- 29 Page 10, line 23, delete "chapter." and insert **"chapter or any**
- 30 **ingredient specifically approved for inclusion in e-liquid by the**
- 31 **Food and Drug Administration of the United States of America."**.
- 32 Page 10, between lines 27 and 28, begin a new paragraph and insert:
- 33 **"(c) All e-liquid retailers, distributors, and manufacturers who**
- 34 **mix, bottle, or sell e-liquid in Indiana before July 1, 2015, shall,**
- 35 **before July 1, 2016:**
- 36 **(1) sell or remove from retail all inventory of e-liquid**
- 37 **manufactured before July 1, 2015; or**
- 38 **(2) acquire:**
- 39 **(A) a valid tobacco sales certificate issued by the**
- 40 **commission in accordance with IC 7.1-3-18.5-1;**
- 41 **(B) an e-liquid manufacturing permit issued under**
- 42 **IC 7.1-7.5-1; or**

- 1 **(C) a distributor's license issued under IC 6-7-2-8."**
- 2 Page 12, line 41, after "person" insert "**or authorized distributor**".
(Reference is to SB 539 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 6, Nays 4.

Senator Buck, Chairperson